



House Budget Committee

Democratic Caucus

U.S. Rep. John Spratt ■ Ranking Democratic Member

News Release

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Spratt Budget Funds Health Care for Military Retirees

WASHINGTON — U.S. Rep. John Spratt (D-SC) today introduced a House Democratic budget plan that provides \$16.3 billion in health care improvements for military retirees over the next decade.

Spratt, the top Democrat on the House Budget Committee, said the Democratic budget, which he authored, funds major provisions of H.R. 3655, the “Improved Medical Care for Troops and Retirees Act,” introduced in the House last month.

“I am a cosponsor of H.R. 3655,” said Spratt, “and my budget resolution takes this bill a step closer to becoming law.”

At 65, military retirees and others eligible for Medicare lose guaranteed access to the military health care system. To help these retirees, Congress established a demonstration program called “Medicare Subvention” in the Balanced Budget Act of 1997, which Spratt co-authored.

Medicare Subvention calls for Medicare to reimburse the Department of Defense for care provided to Medicare-eligible military retirees, much as it reimburses private-sector health care providers.

Spratt’s budget would make Medicare Subvention permanent and extend it nationwide by 2006. “Medicare Subvention is authorized by H.R. 3655,” said Spratt, “and my budget provides the funds to put it into effect.”

Spratt’s budget resolution not only provides Medicare Subvention but guarantees access to the Department of Defense’s prescription drug plans for Medicare-eligible military retirees. “Over the next ten years,” said Spratt, “the Democratic budget would provide a total of \$16.3 billion — \$10.9 billion for Medicare Subvention and \$5.4 billion for prescription drug coverage.”

Spratt’s budget also treats prescription drug coverage as an entitlement. “As an

entitlement in the budget,” said Spratt, “it would not have to compete with other defense priorities for discretionary funds every year.”

Spratt said the budget resolution is a necessary step to funding the new retiree benefits, but it is not the final step. “When the final authorization and appropriation bills are passed this year, I hope we can reach a bipartisan agreement on these benefits and enact them,” he said.

The retiree benefits in Spratt’s budget resolution are not included in the House Republican budget resolution.

Spratt also pointed out that his budget resolution last year initiated an increase in veterans’ health care benefits of \$1.7 billion. His resolution this year, fiscal 2001, includes additional increases in veterans’ health care and enlarges educational benefits under the Montgomery GI Bill.

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